

HB 1903-S - DIGEST

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Recognizes the vital importance of economic development to the health and prosperity of Washington state as indicated in RCW 43.160.010, 43.155.070(4)(g), 43.163.005, and 43.168.010.

Finds that current economic development programs and funding, which are primarily low-interest loan programs, can be enhanced by creating a grant program to assist local governments with public infrastructure projects that directly stimulate community and economic development by facilitating the creation of new jobs or the retention of existing jobs.

Provides that, in administering the job development fund, the board shall establish a competitive process to request and prioritize proposals for public infrastructure projects, the primary objective of which is to stimulate community and economic development through development or redevelopment of an area.

Requires the board to conduct a statewide request for project applications from political subdivisions or federally recognized Indian tribes in partnership with a political subdivision. The board shall develop criteria on which to evaluate and rank applications, and shall develop performance and evaluation criteria to review how well successful applicants met the community and economic development objectives stated in their applications. Among the priorities for ranking projects, the board shall include consideration of: (1) The relative benefits provided to the community by the jobs the project would create, including, but not limited to: (a) The total number of jobs; (b) the total number of full-time, family wage jobs; (c) the unemployment rate in the area; and (d) the increase in employment in comparison to total community population;

(2) The present level of economic activity in the community and the existing local financial capacity to increase economic activity in the community;

(3) The rate of return of the state's investment, that includes the expected increase in state and local tax revenues associated with the project;

(4) The lack of another timely source of funding available to finance the project which would likely prevent the proposed community or economic development, absent the financing available under this act;

(5) The ability of the project to improve the viability of existing business entities in the project area; and

(6) Whether or not the project is a partnership of multiple jurisdictions.

Provides that, beginning September 1, 2010, and continuing every five years thereafter, the joint legislative audit and review committee shall submit a report to the appropriate committees of the legislature. The report, at a minimum, should evaluate the effectiveness of the job development fund grant program, including a project by project review. The report should include information regarding the criteria and performance measures used, whether the performance measures were met, and how the funds were used.

